

March 26, 1984

LB 913

The feeling of 90 percent was that that would allow a little more flexibility for the Department of Social Services. They are looking at some competitive bidding perhaps between the different community action agencies and would make more efficient use of that money than just directly passing on that extra 2 percent back to the community action agencies. So that is what the committee amendment would do, reduce from 92 to 90 percent the amount that would be passed on through to the local community action agencies.

SPEAKER NICHOL: Senator Fenger, did you wish to speak to the committee amendments?

SENATOR FENGER: Thank you, Mr. Speaker, members of the Legislature, I'd ask you to take a look at this and I would urge your rejection of these committee amendments. If this Legislature is committed to supporting efficient, economical and frugal spending of federal tax dollars, I think we should also be committed and willing to put money where our mouth is. LB 913 in its original draft requires 92 percent of those funds to be distributed. That was the result of an interim study conducted by the committee. The study concluded that community action agencies provide Nebraska taxpayers the most economical and comprehensive system of social service delivery in this state. I believe the important need for these agencies is not in dispute, and if you have taken time to read that interim you will agree that community action agencies are, in fact, fiscal wizards when it comes to pinching pennies. The dispute centers around how much we are willing to support and stand behind these agencies that in my view give us a 150 percent return on every dollar they spend. It only seems prudent to allocate our federal dollars where they will be most effectively and efficiently spent. By federal law Nebraska may retain 5 percent of the CSBG money for administrative expenses. They may expend up to 5 percent of those funds for, and here I quote, "discretionary programs." Until September of '84 the remaining 90 percent must be allocated to community action agencies. After this date, however, 95 percent of those CSBG monies that come into Nebraska are, in fact, up by grabs by any organization claiming to deliver social services. Why not direct 92 percent of these funds to